



DEBRA K. DAVENPORT, CPA
AUDITOR GENERAL

STATE OF ARIZONA
OFFICE OF THE
AUDITOR GENERAL

WILLIAM THOMSON
DEPUTY AUDITOR GENERAL

July 19, 2007

Governing Board
Queen Creek Unified School District No. 95
20740 South Ellsworth Road
Queen Creek, AZ 85242-9676

Members of the Board:

In our February 24, 2006, status review report we notified you that the District had not complied with the *Uniform System of Financial Records* (USFR).

We have since reviewed the District's audit reports and USFR Compliance Questionnaire for the year ended June 30, 2006, to determine whether the District was in compliance with the USFR as of that date. Based solely on our review of these documents, the District has complied with the USFR.

However, we noted that the District still had numerous internal control deficiencies cited by its auditors in the Schedule of Findings and Questioned Costs, management letter, and the USFR Compliance Questionnaire. These deficiencies indicate that the District's internal controls are still especially weak in the area of cash receipts.

Although the cited deficiencies do not cause substantial noncompliance, the District must take corrective action to continue to satisfactorily comply with the USFR.

If you have questions concerning the deficiencies or how to correct them, or would like a written summary of deficiencies with recommendations for correction, please call Magdalene Haggerty, Accounting Services Director, or Michael Stelpstra, Accounting Services Manager, at (602) 553-0333.

Sincerely,

Debra K. Davenport
Auditor General

DKD/MH/ms
cc: Dr. James Murlless, Superintendent
Ms. Shari Zara, Business Manager
Queen Creek Unified School District No. 95